

EVERGREEN ♦ EAST HILLS VISION STRATEGY

Task Force Workshop Meeting - 8

City of San José, New City Hall
200 East Santa Clara Street, Wing 118, 119, 120
San Jose, CA 95113-1905

Wednesday, March 15, 2006
6:30 – 8:30P.M.

MEETING SUMMARY

The meeting was called to order at 6:30p.m.

Task Force Members Present:

Chair Dave Cortese, Vice-Chair Nora Campos, Madison Nguyen, Mark Milioto, Mike Hill, Steve Dunn, Bob Levy, Al Munoz, Steven Cox, Khanh Nguyen, Carlos DaSilva, Maria Lopez, Jim Zito, Alan Covington, Homing Yip, J. Manuel Herrera, Jenny Chang, Joe Head, Ike White, Vince Songcayawon, Lou Kvitek, Sylvia Alvarez, Chris Corpus, Gordon Lund, George Perez

Task Force Members Absent:

Melanie Richardson, Carolyn Gonot, Nancy Dellamattera

Members of the Public Present:

Bill Ashman, Anthony Drummond, Terry Gotcher, Susan Young, Mary Kolb, Alan Garofalo, Tony Seebach, Daniel Gould, Tony Montagano, Kulwant Sidhu, Kari Peterson, Ruben Dominguez, Bob Rivet, Shauna Sanders, Ellie Glass, Rhonda Garcia

Developer Community Present:

Bo Radanovich, Jim Eller, Tom Armstrong, Gerry DeYoung, Gretchen Sauer, Bridgit Koller, Myron Crawford, Bob Hencken, Patrick Spillane, Mike Keaney

Staff Present:

Laurel Prevetti, Kip Harkness, Andrew Crabtree, John Baty, Sylvia Do, Rodrigo Orduna, Rebecca Flores, Nanci Klein, Dave Mitchell, Manuel Pineda

Welcome and Announcements

Retail Panel:

Representative from Shelter Bay Retail Group –

The failure of an anchor tenant will cause the failure of the rest of a shopping center. This is true for Canyon Creek shopping center. The effect of the loss of anchor tenants can be seen

around the City (example of Safeway closing in Gilroy). The addition of a new supermarket [at the Evergreen College site] would have an immediate negative impact on possibly three area shopping centers. The community hasn't grown to the point where the existing shopping centers could survive with the addition of a new grocery store.

David Robere, Representing Shapell –

Referring to the MapInfo study, with a new supermarket sales for other markets would go down 30-percent because new customers would not come from outside of the area. The closure of Lunardi's and Cosentino's will cause a domino effect on closure of other tenants in their respective centers. The Evergreen College letter was the reason why Shapell moved forward with the commercial component of the Evergreen Specific Plan. The burden of proof is on Evergreen College to show why their new supermarket would not be an impact to other markets.

George Silvestri, Jr. Representing Lunardi's –

The Evergreen Village Center store is the first and last time Lunardi's will open a store from the ground up; typically remodel. Lunardi's can't absorb the loss of the Evergreen store and hope in time that the store will be successful. If the Evergreen College supermarket is approved the Lunardi's store will close.

Rick Demansky, Representing MapInfo –

Mr. Demansky described the model used for the MapInfo study. The Evergreen College is a great site for a new supermarket, but it will take away money from other area markets. The analysis shows that with a new supermarket Lunardi's and Cosentino's will take a sales hit of between 33 and 39 percent.

Task Force Questions and Discussion –

Jim Zito asked if the MapInfo study took into consideration the proposed new homes.

Mr. Demansky answered that the study considered new homes and forecast through 2012.

Steven Cox asked what would it take to support a new supermarket.

Mr. Demansky answered that it would take between 5 and 10 thousand new homes in the trade area.

Mike Hill commented that there are two different studies. One commissioned by the City with no agenda and another commissioned by Lunardi's and Cosentino's. Lunardi's and Cosentino's carved out a niche market and went in less than a mile from existing markets. Excluding a new supermarket would take away value to the community.

Jenny Chang asked what Mr. Demansky would recommend be built on the College site to not affect the other centers.

Mr. Demansky answered that he did not study other options.

Homing Yip commented that the previous retail study had lots of things that seemed illogical in order to satisfy special interests.

Gordon Lund asked where Lunardi's and Cosentino's thought they would be and how good the model was for them.

Mr. Demansky answered that they assumed great site characteristics, but Lucky's/Albertson's has doubled in size and Safeway will be putting in \$4 million into their existing store.

Bob Levy asked if the existing markets' clientele was going to grow, are markets well served by the community and how many people does it take to support a 50,000 square foot market.

Mr. Demansky mentioned that most stores mature in 18 months, maybe a little slower. A lot is dependent on marketing. No market is an island, but roughly it takes about 5,000 homes to support a 50,000 square foot market.

Public Comments:

Tony Montagano –

Has been attending Pleasant Hills Golf Course meetings, the majority in attendance in favor of Pleasant Hills remaining golf course/open space. Should consider a local opinion pole.

Bonnie Mace –

Regarding trip pool. Lives in southern part of Evergreen and is interested in how residential allocations could affect area.

Kari Peterson –

As a new Evergreen resident it took over 1 year before went to Lunardi's and Cosentino's. She shops where she works and believes retaining campus industrial will help retail.

Balancing the Equation:

The Task Force participated in a group exercises to develop an agreement on the appropriate balance of units, industrial retention, retail, affordable housing, CFD, schools and amenities value.

The Task Force was divided into four groups, each with a facilitator and a scribe to note all comments. Each group was provided with a visually accessible "[game board](#)" that described a range of possible policy decisions. Each of the group members was provided with a three-sided "tent" to represent either their support (green), concern (yellow), or opposition (red) to proposals to balance the equation. In order to be viable, a proposed balance to the equation had to receive a response of support or at least concern from each of the group members.

As each Task Force group was discussing the different proposals for balancing the equation members of the public were able to circulate between all of the group tables and observe the proceedings.

As a wrap-up to the balancing the equation exercise each group provided a summary of their discussions. Ideas that resonated included: 1. a CFD that would be paid off early by developers

so individual future homeowners would not need to pay an additional assessment; 2. an amount of retail between 200,000 and 300,000 square feet, 3. at least 20% affordable on Arcadia with an affordable component at Evergreen College, 4. two or three elementary school sites and a solution to the high school issue.

(See attached group exercise summaries for details). [Group 1](#), [Group 2](#), [Group 3](#), [Group 4](#)

Work Plan Update

The Task Force decided to not schedule March 29th as an additional Task Force meeting. Laurel Prevetti suggested the addition of a second April Task Force meeting.

Additional Public Comments:

Rhonda Garcia –

Asked why is there secrecy about how much money each developer is putting into the project and wants to know how much will be spent at each site (each site should be equal).
Asked who [on the Task Force] voted against CFD. What are the 3 proposed schools?
Should put retail only on opportunity sites, not dictate development on other sites.
Development will result in too many cars.

Commenter –

The high school issue must be addressed. Any of the opportunity sites could be used for a new high school.

Ellie Glass –

At EIR meeting only saw a handful of Task Force members. If the wait on 101 is only a minute and ½ less, what is the gain?

Mike Alvarado –

Should exercise conservatism, deal with traffic and amenities and allow a fair return for the developers. Do the numbers add up? Should put the proposals in front of the public and see how they test; may see a lot of difference between 4,100 units and 4,600 units. A CFD can be used to protect money for amenities.

Homework Reminder:

Kip Harkness reminded the Task Force to not go away and tear apart what was accomplished at this meeting, but think about what could be done to improve the agreement without losing site of individual interests.

Meeting was adjourned at 8:37p.m.